

# **LM Ericsson Bangladesh Limited**



**Internship Report  
Fall 2013**

*Submitted by:*  
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BRAC University**

## **Preface**

This report documents the work done during the Fall internship at Admin Department of LM Ericsson Bangladesh Limited, Bangladesh under the supervision of Salim Kabir and Nizam Uddin. The report first shall give an overview of the organization and followed by the experiences during the period of internship with details.

I have tried my best to keep report simple to be understandable. I hope I succeeded in my attempt.

-Bushra Ferousi

## Letter of Transmittal

Date: 2<sup>nd</sup> April, 2014

Afsana Akhtar

Course Instructor

BRAC Business School

BRAC University

Subject: Submission of Internship Paper.

Dear Mam,

With great gratification I am submitting my internship paper titled “Recruitment & Selection”. As per partial accomplishment of the requirements for the BBA degree, I have completed the internship from Ericsson Bangladesh Limited. It is really an enormous prospect for me to congregate vast information and grasp the subject matter in an appropriate way. I have found the my intern topic quite interesting, beneficial & insightful and tried my level best to prepare an effective & creditable report.

I honestly, not only anticipate that my report will assist to provide a clear idea about the recruitment & selection process of a huge multinational telecommunication company like Ericsson but also optimistic enough to believe that you will find this report worth for all the labor I have put in it. I welcome your entire query & take pride to answer them.

Yours Sincerely,

Bushra Ferdousi

ID-09104153

## **Acknowledgments**

Simply put, I could not have done this work without the lots of help I received cheerfully from whole Admin department, Ericsson Bangladesh. The work culture in Ericsson really motivates. Everybody is such a friendly and cheerful companion here that work stress is never comes in way.

I would specially like to thank Tania Afroz, Samia Akhter, Shah Alam and Nabe for providing such nice ideas to work upon which made me a good interest to work. I am also highly indebted to my supervisors Salim Kabir and Nizam Uddin, who seemed to have solutions to all my problems.

Bushra Ferdousi

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## Executive Summary:

Ericsson is one of today's leading communication giant suppliers in the whole world and is the only company with solutions for all major mobile communication standards. Ericsson has been present in Bangladesh since 1997, supporting its customers through a local branch office, Ericsson AB – Branch Office Dhaka. In early 2006, it incorporated under the Bangladesh laws as LM Ericsson Bangladesh Limited (EBL), to establish a full-fledged company. The operational base in Dhaka was setup only when the mobile phone market started to take shape with the awarding of GSM licenses in 1996 though they were already here selling equipments to BTTB from way back in 1970's. Today, Ericsson Bangladesh is a partner to majority of the operators in the country .As a multinational telecom service provider Ericsson has some core values which is strictly maintained here as well at Ericsson Bangladesh.

I had done various tasks throughout my intern period. As Finance & Admin department are closely related, I was assigned to work with Admin team. This department is different from other organization's admin department in many ways. Its more like a combination of two departments. Everybody here cooperates each other & backs each other up whenever someone is in disarray. On the very beginning of my work, I have known the entire EBL administration & Security Process. I had to go with all the agreements in detail to see first whether the agreements were into valid or invalid. So first of all going through these valid or invalid agreements I found many things are not even agreement base but were on approved base. Many prices were only approved which should be in agreement form. So I found out the entire approved price list to make them into agreements. This was my major findings to see that things were not on agreement based which can never help to reduce cost.

Being a finance internee, my task was also to see how to reduce cost of the company. So fixing price on approved way for a long time can never reduce cost. It is to remember price of most of the contract in every year is being reduced which help to save the cost of the company. Second, I found some agreements were not valid then I listed them on excel file to made them valid. By seeing the agreement date and present date I could found out the valid and invalid agreements. Third I need to find out their payment system which were made according to contract.

Working with admin department I came to know about the recruitment & selection process of Ericsson. It is so well structured & maintained that the person who deserves the most will only be recruited for Ericsson. The standard that is maintained worldwide is also followed here at Ericsson Bangladesh. During my internship period I had the opportunity to sit with some people who are responsible to handle the whole recruitment process. From publishing an advertisement to contract confirmation- I had the opportunity to witness every single steps in recruitment . This how I got know what a multinational company looks for & what factors someone has to have to please them. That is why I have set my topic on the recruitment & selection process of the company. The whole procedure is described on the later half on my thesis report.

So at last it seems I learned so many things of admin department which will help in future if I get chance to work on any organization. Now I know how a admin team runs, what responsibilities of an organization admin team carries, how to maintain all the agreements of the vendors, how you can save cost easily and so many things including how to compile all the critical information of a company in an excel sheet. I learned about time management, working as a team, professional behavior, prioritized assignments and so on to describe .I have to admit that Admin team does lots of activities and works like any other team. I will always try to reflect in my career the inexhaustible sincerity & attention I have seen in my colleagues during my Ericsson days.

## 1.0 Introduction

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Ericsson is a world-leading provider of telecommunications equipment and related services to mobile and fixed network operators globally. Over 1,000 networks in 140 countries utilize Ericsson network equipment and 40 percent of all mobile calls are made through their systems. Ericsson is one of the few companies worldwide that can offer end-to-end solutions for all major mobile communication standards. Ericsson is the only company in the world offering network infrastructure for all major mobile communication standards (GSM, TDMA, CDMA, 3G etc.), forcefully promoting standardization and open systems - and still living that visions of Lars Magnus Ericsson, that communication is a basic human need not only for a few, but for everyone; Ericsson – the prime driver in an all communicating world! Ericsson invests heavily in R&D and actively promotes open standards and systems. Also reflecting their ongoing commitment to technological leadership, Ericsson have one of the industry's most comprehensive intellectual property portfolio containing over 20,000 patents.

Ericsson makes it possible for people around the globe to communicate better. Ericsson does this by helping operators to bring intriguing new services to their customers and by evolving and improving the networks that make them possible.

## 2.0 History of Ericsson

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It all began in 1876 when Lars Magnus Ericsson, a true pioneer, started a repair shop in Stockholm Sweden for telegraphic and other electrical equipment. Soon after, based on believing that telecommunications is for everyone; Ericsson assisted one of his customers who had just won a license for public telephony, and thus contributed to establish Stockholm as the world's most telephone dense city. From that historic point in time, the company emerged as one of today's leading communication giant suppliers and is the only company with solutions for all major mobile communication standards. (Ericsson AB, 2012) Network Consulting has been running from the time Ericsson was established in South Africa headed by Judith Mbele who was preceded by the current head Lars Stuber. The early years



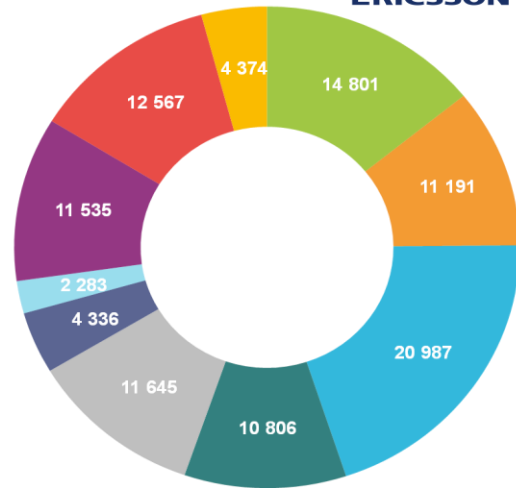
of ESA NC used to be called Network Design; the name was changed to NC in 2000 which is also in accordance with the nature of the department. (Ericsson AB, 2012)

Over the years NC has been involved with a number of projects, such as roll out, tuning, optimization and consulting projects. From May 2003 NC was identified as a Market-In-building Competency Center (MICC). This was instigated by the hard work and the competence that NC group has proved to have. (Ericsson AB, 2012)

Ericsson has a long tradition of breaking ground by innovative solutions. They have the edge in technology shift from analogue to digital mobile phone. Today are leading the way to third generation of mobile communication. An achievement based on Ericsson's strong commitment to R&D and the philosophy with Ericsson's researchers involved all the way from the first idea to the final products to Ericsson's customers. Then, Ericsson's global presence for over 125 years has resulted in a worldwide network with presence in more than 140 countries. This makes Ericsson the most competitive international supplier in the business with a unique understanding of diverse cultures and technologies. No less important are Ericsson's long-standing customer relationships. The world's ten largest mobile operators are Ericsson customers, and 40% of all mobile calls are made through Ericsson systems thereby making Ericsson the largest system supplier in the world. (Ericsson AB, 2012)

Ericsson has offices and operations in more than 180 countries, with significant presences in Brazil, China, Finland, India, Ireland, Italy, Hungary, the UK and the US. Ericsson has around 105 000 employees worldwide with the following distribution (EricssonAB, 2012) -

- North America
- Latin America
- Northern Europe & Central Asia
- Western & Central Europe
- Mediterranean
- Middle East
- Sub Saharan Africa
- India
- China & North East Asia
- South East Asia & Oceania



**Figure: 1**  
**Ericsson Worldwide**

### 3.0 Ericsson Bangladesh

Ericsson has been present in Bangladesh since 1997, supporting its customers through a local branch office, Ericsson AB – Branch Office Dhaka. In early 2006, it incorporated under the Bangladesh laws as LM Ericsson Bangladesh Limited (EBL), to establish a full-fledged company. Ericsson first started selling its equipments in Bangladesh to BTTB back in 1970. But the operational base in Dhaka was setup only when the mobile phone market started to take shape with the awarding of GSM licenses in 1996. Today, Ericsson Bangladesh is a partner to majority of the operators in the country. With a staff-strength of more than 400, it is presently the country’s largest end-to-end telecommunications solutions provider with complete in-country expertise and support team. Being part of Region South East Asia and Oceania (RASO), it has access to a diversified group of technical, solutions and services experts from around the region. (Ericsson AB, 2012)

With their people, processes and partnerships, Ericsson helps the customers to expand their businesses and keep pace with the latest industry developments. Operators can maximize network quality and performance, and focus on their customers, by having Ericsson integrate equipment from multiple vendors, handle multi-technology change programs,

design and integrate new solutions, and manage their operations. Their services business accounts for about 40 percent of Ericsson's net sales. They are also among the world's top 10 IT services providers. (Ericsson AB, 2012) In the last ten years in Bangladesh, Ericsson is proud to have left various footprints in the community as well as the economy, directly and indirectly.

## 4.0 Mission, Vision, Objectives and Strategies

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### 4.1 Mission

*"Our mission is to understand our Customers' opportunities and needs and provide communication solutions faster and better than any competitor. In doing so, we shall generate a competitive economic return for our shareholders."*

This mission statement puts into perspective a few points about Ericsson. Their inherent emphasis is on quality not cheapness of service. The first priority is to provide a high end service that can be used for both commercial and personal use. (Ericsson AB, 2012)

### 4.2 Vision

"We believe in an "all communicating" world. Voice, data, images and video are conveniently communicated anywhere and anytime in the world, increasing both quality-of-life, productivity and enabling a more resource-efficient world. Ericsson in Bangladesh will be the leading provider of Mobile Internet & Telecom Management Solutions in the New Telecom World in line with the National Telecommunications Agenda." (Ericsson AB, 2012).

### 4.3 Core Values and Culture

Ericsson has three Core Values (Ericsson AB, 2012) –

- √ Professionalism
- √ Perseverance
- √ Respect

### 4.4 Objectives

**Increased Customer Focus and Satisfaction:** Sharing of resource competency across the world with the aim to reduce CSR lead-time.

**Continuous drive towards Operational Excellence & Cost Saving:** Increased efficiency in resource/ competence development, sharing and utilization

**Common and efficient Ericsson Local Support process and workflow:** Streamline and develop a common and efficient set of ELS process and workflow

## 4.5 Strategies:

The Company's strategy builds on a long-term vision and mission which is translated into a business strategy that should generate value for the Company's key stakeholders, customers, employees and shareholders.

Four pillars form the foundation for Ericsson's business strategy

- i. Excel in Networks
- ii. Expand in Services
- iii. Extend in Support Solutions
- iv. Establish leading position in enablers of the networked society.

### 4.5.1 Business Level Strategy

Business Level Strategy and Planning supports effective decision making to reduce costs, increase capital efficiency and secure revenue. Ericsson's service focuses on:

- Identifying and quantifying new sources of revenues, and then cutting time-to-market to realize profits quickly
- Ensuring investments are driven by business objectives and aligned with market opportunities and demands, and maximizing the business value of network assets
- Improving operational efficiency to reduce costs, while identifying potential savings in operating expenses.

This technology-independent service is provided by consultants who have an industry overview and experience in specific technology areas, both with Ericsson and non-Ericsson products. The company tailors their service to suit specific business challenges, covering

each stage of the strategy and planning process. Business Strategy and Planning typically includes:

- **Business strategy review and analysis** – Analyzing internal and external factors that impact the business to identify gaps in the existing strategy, and recommending revision thereof
- **Identifying business opportunities** – Finding, analyzing and quantifying business opportunities to create new revenue streams
- **Business scenario planning** – A holistic approach that incorporates the entire organization, covering strategy definition, target setting, options development and analysis
- **Business modeling** – Creating and analyzing financial statements to support business planning
- **Strategy implementation support** – Creating a plan for addressing identified strategy gaps and issues; and providing hands-on support for implementation in the form of change management programs, for example. (Ericsson, 2013)

#### **4.5.2 Global Expansion Strategy**

In Global Expansion Services, Ericsson leverages their momentum in sales and growth, and keeps focus on innovation, competence and cost control. The focus area of innovation involves developing new business by capturing opportunities in new areas such as IT and broadcasting, as well as in new business models. Competence is critical when expanding into an ICT market with a higher degree of complexity, with new competitors such as IT and professional services companies.

#### **4.5.3 Current Strategy**

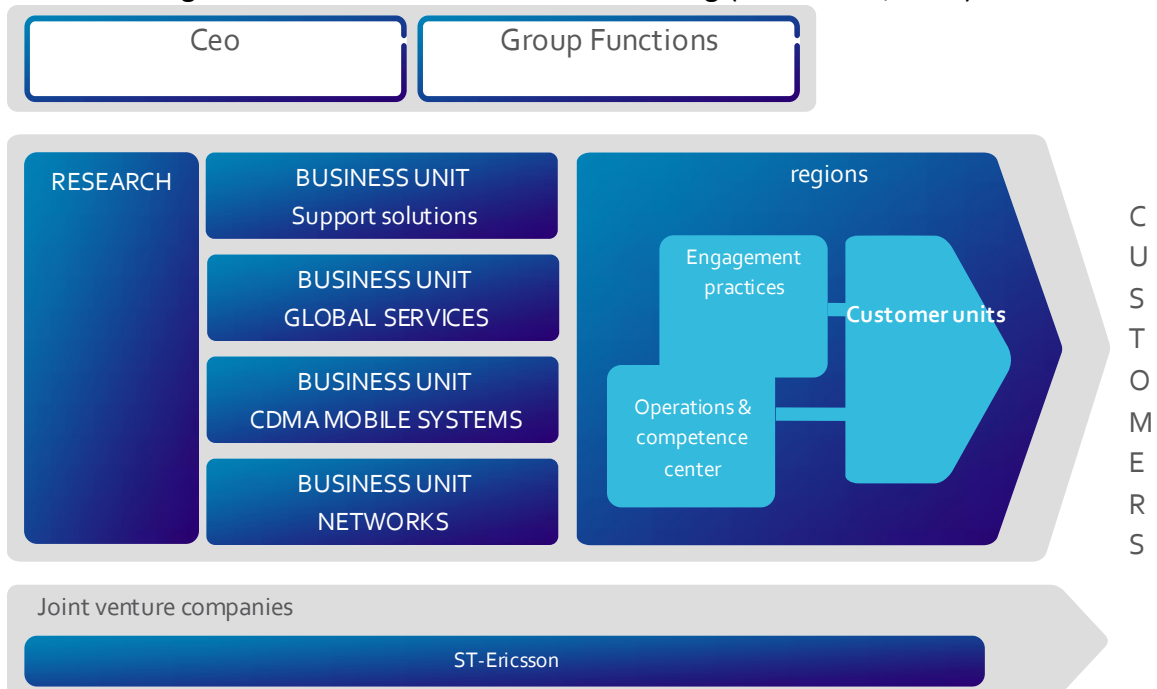
According to the CEO the work to leverage Ericsson's strength in the growth areas mobile broadband, managed services and operations and business support solutions (OSS and BSS) has continued with both selective acquisitions and divestments to enhance and streamline the portfolio. The key acquisitions in the year that have contributed to strengthening Ericsson's leadership include BelAir in the area of mobile broadband, Concept Wave and Telcordia in the area of OSS and BSS as well as Technicolor's broadcast services division in

the area of managed services. In addition Ericsson has completed the divestment of their share in Sony Ericsson and launched a new strategy for Support Solutions. Ericsson’s R&D and services investments form the foundation for the long-term strength of the company. Despite a challenging year for Networks, Ericsson remains almost the size of number two and three combined in the market when it comes to installed base of radio base stations and they have maintained a strong market share also in mobile network equipment. Global Services outperformed the market and solidified its leadership. In the fragmented telecom services market, Ericsson held a 13% market share for 2012, well ahead of its closest competitor. (Ericsson AB, 2012)

## 5.0 Organization Structure

### 5.1 Global Organization Overview:

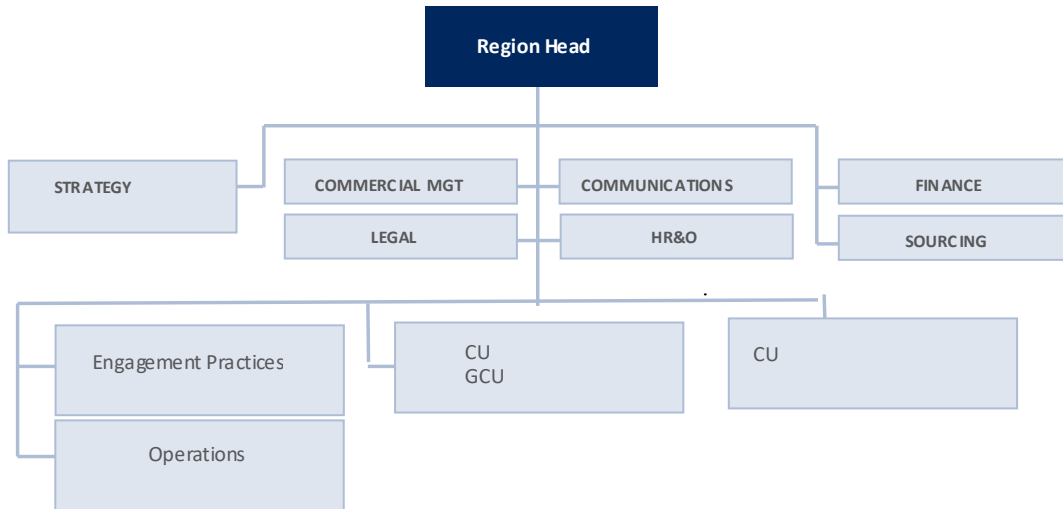
The Global organization view of Ericsson is as following (Ericsson AB, 2012) –



**Figure-4**  
**Global Overview of Ericsson**

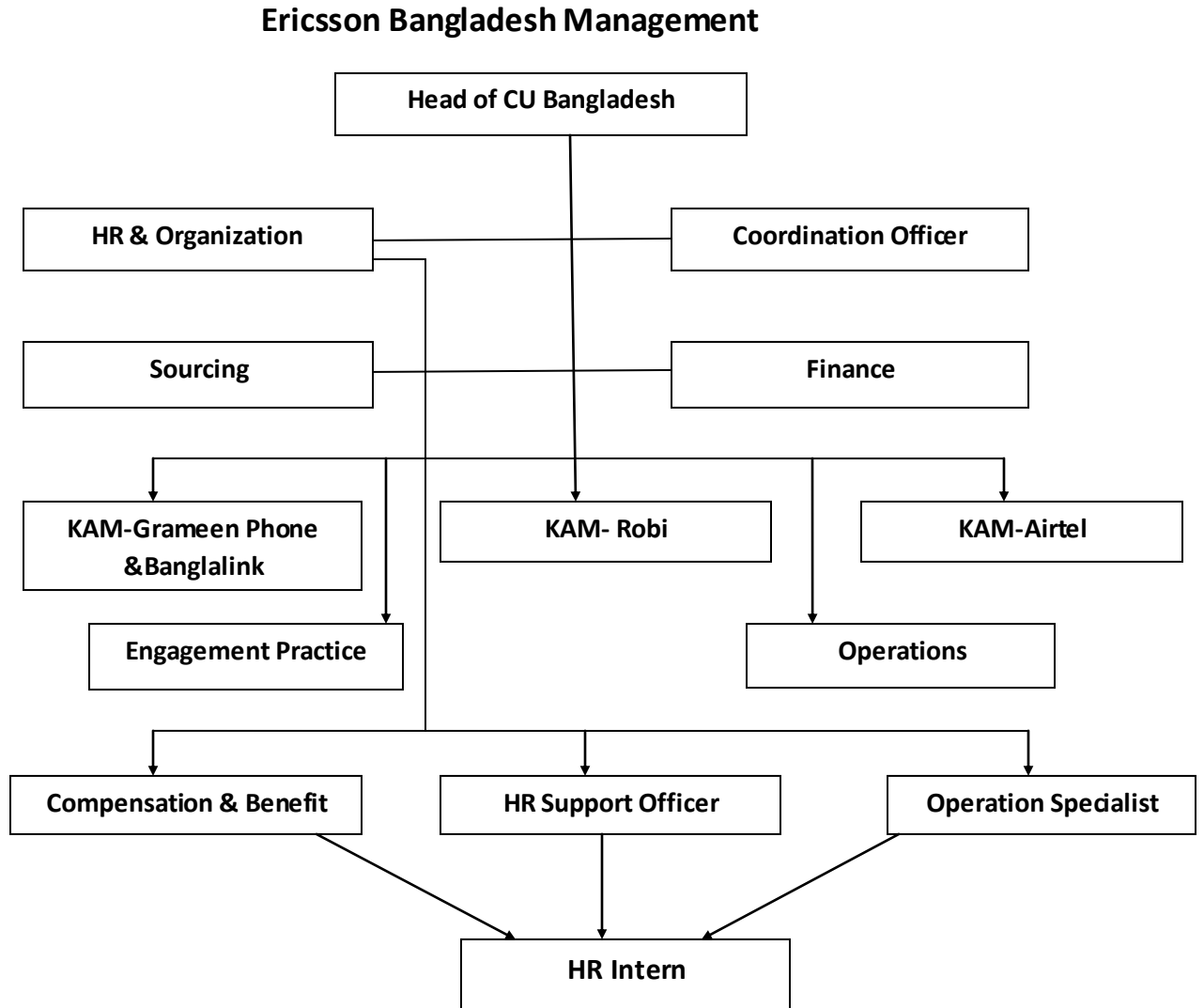
## 5.2 Regional Overview:

A Region maximizes short- and long-term consolidated Operating Income and minimizes capital tied up through effective account management and operations. The regional structure consists of ten regions globally with region having several customer units. The generic view of the regional structure is as following –



**Figure-5**  
**Regional Overview of Ericsson**

## 6.0 Major Functional Divisions and Departments



**Figure-7**  
**Organogram**



## 7.0 My Assigned Duties and Responsibilities

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I am Bushra Ferdousi worked as an internee at Ericsson in Finance dept under CFO Mr. Nizam uddin. Here I worked on finance dept but my task is to see most major parts of admin department as finance department is related with admin department both under CFO of Ericsson Mr. Nizamuddin. Being Internee I was given the opportunity to work and interfere in any matter of admin. It's a very confidential role where I was empowered to see all the facilities management and detailed contracts between vendors and admin with a goal to cut the budget in every possible sector for maximum cost reduction. At the beginning of my internee I used to sit beside Mr. Salim who is LTA of administration and security. He first gave a brief introduction of entire admin team. In EBL administration and security under line manager there are six employees and I had to perform meeting with those six employees individually to know their work detail for working with them. First I sat with Mr. Anis who manages entire transport of EBL. I came to know his responsibilities like he ensures EBL get complete support of transport, vehicles provided in good condition without any effect, coordinate with all departmental coordinator and project management team for smooth transport support, preparing transport invoice & taking approval from the concerned cc/nw owner, etc. So, here my task was to look all his vendors contracts to see whether there were any invalid existing contracts or not. I found all valid contacts here. All contracts were up to date and invalid. I put all the contracts in an excel sheet with their vendors name and contract dates, also includes their payment system which were all DFU system. I have checked all the contracts, payment systems, whether under EBL process or not, etc. I found some areas which needed to be developed is that there should be big parking area and some vehicles were charged more monthly. It took around a week to finish checking transport management part. After finishing transport management part I sat with Mr. Nabe who is also a facilities management looking after office buildings, guest house and service apartments. His responsibilities are office building maintenance, providing internet facilities, house cleaning facilities, laundry facilities, club facilities, providing furniture, etc. I have checked his all contracts of his vendors. Among them some of them were not valid then I made them valid. I advised them to add some more facilities to the LT's. After that I sat with Mr. Shah Alam who is also a facilities management. His responsibilities are dining management, crockery buying and maintenance, petty cash advance, gardening, generator & lift, ac maintenance, water facilities, etc. So, I look after all his vendors contract. I found many invalid contracts and even in some case there were no contract only approval. Then I discuss this matter with my line manager. I made the list in excel all invalid contract and approved contracts which need to be in contract. Then by seating with Sourcing team, finance team and admin team we solve this big problem by making approved price things into contracts and others by renewing contracts. This took around two week times. After this work I sat with Ms. Tania apa who is also a facilities management. Her responsibilities are travel management, mobile phone and REFP. I have

gone through all her contracts and fixed some invalid contracts. It took only two days to go through all his contracts. Then at last I sat with Ms.Samia Jahan who's responsibilities are security, office boys, visa, cleaning service , hotel management and new joiner package. Her works has very few contracts among them only two contract were invalid which were renewed later. So these were my main task . I put all these work in excel file which I have attached in attachment file. After this work now admin all contracts are updated, renewed and valid which as a result helped to reduce cost. As when you update renew old contracts your price of the products get less as cost are saved. So after this work I wrote some work instructions in case of local stationery ordering & usage and Business Card production and also wrote the procedure of hotel booking confirmation. I have found Ericsson follow a different procedure while ordering these thing. So I have mentioned those while writing the work instructions.

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## 8. SWOT

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### 8.1 SWOT Analysis

SWOT Analysis is an important tool for evaluating the company's strengths, weaknesses, opportunities and threats. It helps the organization to identify how to evaluate its performance and scan the macro environment, which in turn would help the organization to navigate in the turbulent ocean of competition in terms EBL.

#### 8.1.1 Strengths

- **Global scale with local Presence:** Ericsson is globally operating more than 180 countries and has significance presence in Brazil, China, Finland, India, Ireland, Italy, Hungary, the UK and the US. In Bangladesh Ericsson is also locally established and well known for its strong global presence.
- **Largest customer base:** Ericsson has largest customer base profile than its other competitors. Around 90% of Airtel's network is controlled by Ericsson.
- **Good customer relations with quality offering:** Ericsson's good customer relationship and supplying quality networking solution is one of the strengths for the company.

- **Skilled, efficient, dedicated workforce:** Efficient work environment leads a company for gaining higher profit. Ericsson has 105 000 employees worldwide and skilled, dedicative workforce throughout the globe.
- Strong relationships with operators, customers, 3<sup>rd</sup> party solution providers:
- Leader in innovation:
- End-to-End solutions:
- Strong R&D commitment:
- Driving industry standards:

### 8.1.2 Weaknesses

- Low margins on networks upgrades
- Share value consistently declining from over last decade
- ST-Ericsson joint venture not flying as expected
- Low revenues and earnings
- Insufficient human resource in the HR division.

### 8.1.3 Opportunities

- Telecom remains a long-term growth industry
- Wireless mobile data traffic growing and expected to grow at a fast pace mainly from smart phones and tablets.
- Managed services and network upgrades
- Mobile broadband
- Innovation through strategic partnerships
- Stimulating third-party application development

### 8.1.4 Threats

- Low cost Chinese vendors
- Uncertain move to 3G
- Political instability

- Wireless markets maturing in most parts of the world.
- Competitors (Huawei, ZTE) increasing in number and aggressive in capturing the market share.
- Tight dependency on wireless operators.

## 1.0 Introduction to Study

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Ericsson Bangladesh is the leading network equipment supplier in Bangladesh with almost 65% market share. Due to the nature of the industry Ericsson have to maintain a very qualified workforce. Selection and recruitment is a very important function of Ericsson Bangladesh and they pay a lot of attention to this function. Since Ericsson is a global company, it uses a lot of global standards in the selection function. An analysis of the selection and recruitment will give us an insight of the recent practices in Human resource management.

The purpose of this report is twofold –

1. Firstly, the purpose of the “Organization part” is to study and analyze Ericsson Bangladesh, Dhaka-Bangladesh with special emphasis on its background, functional environment, product & services, strength & weaknesses.
2. Secondly, the purposes of the project part are the following:
  - a) Analyze the current recruitment and selection process.
  - b) Find problem areas of current policies and processes.
  - c) Recommend ways to fix the problem areas.

## 2.0 Objectives:

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### 2.1 Key issue:

To evaluate the current recruitment and selection policies and procedure of Ericsson Bangladesh, also briefly look into the current performance appraisal system of Ericsson which complements the selection and recruitment process.

### 2.2 Specific objectives:

The objectives of this study are to find out -

- What are the key elements of a standard selection & recruitment policy
- How the selection & recruitment process affects the overall performance of an organization
- What are the general deviations by Ericsson Bangladesh from the standard selection and recruitment policy
- How Ericsson Bangladesh selects their employees
- How performance is measured in Ericsson
- Ericsson's policy to improve competency through training
- How Ericsson terminate employees who don't meet the expected level
- View of current employees on the current policy and procedures

### **3.0 Significance of the Study:**

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Ericsson is a world-leading provider of telecommunications equipment and related services to mobile and fixed network operators. The project entitled "Employees Perception on Recruitment and selection process of Ericsson, Bangladesh" will evaluate the current recruitment and selection policies and procedure of Ericsson. I think this research is very vital for the company to maintain efficient existing employees and to attract potential employees who have the relevant skills, qualifications and experience to make a positive, innovative contribution towards the work of the organization. Therefore recruiting qualified employees will bring their enthusiasm to the workplace and will also increase the company's bottom line.

### **4.0 Literature Review:**

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This part of the paper aims to review the critical points of current knowledge including substantive findings as well as theoretical and methodological contributions to some particular topics discussed here. Literature reviews are secondary sources which are used in order to write this paper. It is important for the readers to go through this section to understand the literatures went through and referred to in order to write this paper. Also, a literature review can be interpreted as a review of an abstract accomplishment. The reader

can refer to the complete list of references in order to have a better picture and citations have been provided in the paper for convenience.

“A highly successful organization is built on the strengths of exceptional people. No matter how much technology and mechanization is developed, no organization could survive and prosper without them”. (Luszez and Kleiner, 2000)

The most important corporate resource over the next few years will be talent: smart, sophisticated business people who are technologically literate, globally astute, and operationally agile. And even as the demand for talent goes up, the supply of it will be going down (Fishman, 1998 cf. Trank et al., 2002).

While formulating a selection policy, there should be focus on organizational requirements as well as technical and professional dimensions of selection procedure. In better words, an effective policy must assert the "why" and "what" aspects of the organizational objectives. (C.B. Mamoria, 2005).

Though both recruitment and selection are the two phases of the employment process, they are different and the recruitment process precedes the selection process which is the final interviews and the decision making, conveying the decision and the appointment formalities (Dipboye, 1992). He therefore, considers recruitment as a process of searching the candidates for employment and stimulating them to apply for jobs in the organization whereas selection involves the series of steps by which the candidates are screened for choosing the most suitable persons for vacant posts.

According to the Annual Report of Ericsson (2012), the core value of Ericsson is professionalism, respect and perseverance and to achieve this they have four core values; Attract exceptional talent, rigorous talent planning and development, leadership and diversity.

Recruitment and selection needs to be underpinned by solid preparatory work in the form of engaging in job analysis and preparing a job description and job specification. It takes time to complete the recruitment process the recruiter (the person who is recruiting) and the recruitee (the person who is to be recruited). Nodoubt, in the personal management, we

are concerned with the question only from the point of view of the recruiter, but we cannot shut our eyes to why a person seeks a job in an enterprise. (DinkarPagare, 2002).

In an article author described that, a solid and effective recruiting and selection process improves your chances of hiring the right person for the right job and more effectively identifies individuals who will fit best into your organizational structure. (Burley, n.d.).

Nwankwo (1988) perceived recruitment to induce getting all prospective applicants for job positions required for the successful conduct of an organization. For him, the recruitment and selection process involves seeking and attracting a pool of people from which candidates to fill job vacancies can be selected.

The recruitment and selection is the major function of the human resource department and recruitment process is the first step towards creating the competitive strength and the recruitment strategic advantage for the organizations. Recruitment process involves a systematic procedure from sourcing the candidates to arranging and conducting the interviews and requires many resources and time (Sisson, 1994).

Organizations employ a variety of selection techniques, and statistical theory is used to give credibility to techniques that attempt to measure people. Organizations also need to consider reactions of applicants to selection methods and an important factor is the perception of fair treatment (Gatewood and Field, 1994). The interview is the oldest and most widely used of all the selection techniques, along with application forms and letters of reference, referred to as 'the classic trio' by Cook (1994).

Once applications have been received for the role, the selection process should be clear and a timetable drawn up. There are a number of methods a company can use at the selection stage. These include identifying whether the candidate has the required skills and experience from their application or CV, face-to-face interviews, assessment centres and completion of case studies or presentations. Many companies like to conduct initial telephone interviews to draw up a short list of candidates (Dipboye, 1992).

Furthermore, Schmidt and Hunter (1998), states a good selection requires a methodical approach to the problem of finding the best matched person for the job Selection Process;

Preliminary Interview, Selection Tests, Employment Interview , Reference and Background Analysis , Physical Examination , Job Offer and Employment Contract, and the stages in Selection Process include: Stage 1: Screening Of Application Forms. Stage 2: Tests-- Intelligence, Aptitude, Technical, Psychometric, Ability, Interest. Stage 3: Selection Interview. Stage 4: Selection Decision

According to Dipboye (1992), selection methods vary between applications and resumes used to select qualified applicants which both include written documents that can be used to determine if a candidate meets basic job requirements, employment tests used to test job skills, personality, or written intelligence/aptitude; they must be reliable and valid. Others are personal interviews used to compare information on the application, and usually allow a chance to discuss the job face-to-face; the interviewer can ask questions, but so can the applicant as well as reference checks that provide additional information about the applicant.

Job performance can be defined as a strategic and integrated approach to delivering sustained success to organizations by improving the performance of the people who work in them and by developing the capabilities of teams and individual contributors (Armstrong and Baron, 1998).

With a strategic view of its recruitment requirements and the strategic plan representing the starting point, the goals, objectives and targets set the parameters for performance and how work is organized into roles and jobs. A key role for HR is to align performance within roles with the strategy, frequently by the use of competency frameworks (Clark, 1992).

DeCenzo(1995), states that ineffective recruitment has a number of cost implications for employers: low morale which can affect employee performance; lost business opportunities, as well as higher levels of labor turnover which adversely affect performance.

HR consultant Mike Toten points out some problems in recruiting process such as mismatch of job and employee, job 'oversold' at recruitment/advertising stage (eg with a misleading title or suggesting opportunities for advancement that aren't there), employee over-qualified, boring aspects of job not mentioned can have effect on job performance.



Symptoms of this include employee boredom, alienation or 'looking for trouble' and in these situations, reviewing recruitment processes and procedures is advisable (Toten, 2003).

Recruitment and selection procedures need to be evaluated. Performance Appraisal data can be used to monitor the success of a firm's recruitment and selection practices (Ratzburg, 2009). From this data, the firm can determine how well employees who were hired in the past are performing added Wilf H. Ratzburg. This can be a very important indicator for the company for determine which recruitment process was appropriate or more effective to select better batch of employees.

From the overall literature review it is quite visible that there is a tremendous amount of money wasted every year by companies who do not give sufficient priority to recruiting and selecting the most appropriate staff for positions that arise. As well as recruitment costs, companies also waste the time and money invested in induction training if the successful applicant subsequently leaves (Phillips, 1998).

In networking industry for example, there is often high turnover of staff with new starters staying only a few weeks before deciding the role is not for them. What is often overlooked is the impact of staffs that have been in the company for a longer period and who see a succession of new colleague join and then leave. This can have a negative impact on morale within the work environment

## 5.0 Recruitment and Selection process of Ericsson

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### 5.1 Recruitment & selection policy

#### 5.1.1 Purpose

To ensure that high caliber competent candidates with the appropriate knowledge, skills, abilities and personal qualities are recruited through a structured selection process. These candidates shall be developed in additional skills and competencies and be fostered towards better performance, results, rewards and a clear future career defined. This in turn will support Ericsson's image as an employer of choice.

#### 5.1.2 Scope

This is to apply for all vacancies within Ericsson.

#### 5.1.3 Principles

##### ***Need based***

Recruitment is a strategic process that shall reflect Ericsson's core business needs and strategic directions. Candidates for recruitment must be qualified for the position considered and ascertained to be competent for the requirements of the job functions. They should also be deemed to add sustainable competitive advantage to the Company.

##### ***Forward thinking***

Each head of division is required to anticipate changes in the organisation's environment to ensure that candidates who are recruited have the requisite knowledge, skills, abilities and personal qualities required by Ericsson's strategic business objectives.

##### ***Structured procedure***

Recruitment shall be handled in a professional manner in a structured and conducive environment and in a manner to increase Ericsson's ability to identify and attract the "right" candidates for the "right" job openings.

***Hire for career, not for job***

The selection decision is made not only strictly based on the job skills required but also for the potentiality of their career growth.

***Equal employment opportunity***

Selection decision shall be made not based on a review of race, age, religion, sex, a handicap or disability unrelated to a person's ability to do the job.

***Hire top graduates***

The management strongly encourages recruitment of top graduates whenever possible. Fresh graduates might have no immediate experience for a specific job, but they are a potential source of our manpower in the long run. The risk here is that if we do not take on them, our competitors will.

***Build organization from within***

Whenever possible internal candidates shall be given priority over external candidates when the requisite competence set are met. Managers should encourage and support internal movement and cooperate to ensure smooth transfer of employees, and that development and advancement opportunities are provided.

***Looks Like – Acts Like***

All external advertisements should be in the same format as regulated. If a recruitment officer is not sure about the format, he/she is required to seek for advice from HR Director or the authorized before any outside publishing to ensure a "Looks Like". Also all Functional Interviewers have to follow the step required in the procedures to ensure an "Acts Like".

***Consensus of Hiring Team or Interviewing Team***

All members involved in the selection process of a specific candidate should agree on the selection.

***Handling relatives***

Employment of relatives is discouraged unless deemed absolutely necessary by the Company. Fair employment philosophy shall be practiced and to ensure that employment decisions are not made based on family relationships.

### ***Community Development***

When there are two candidates who are considered as equal qualified and one of them is resident of the community where the terminal/plant is located, he/she will be given the priority.

### ***No Conflict of Interest***

- No hiring from customers. It would undermine trust and cooperation with each other.
- No favoritism. The decision of hiring team is free from any influence other than what is required by the procedure set out below.
- No nepotism.
- To avoid any perception from the employees that some preferential treatment has been given to some candidate as well as to eliminate any complaint of favoritism.
- To ensure there is totally free of personal influence in the selection process.
- Exception is agreed only when no suitable candidate could be found for a facility located in a remote area. The relationship should be clearly stated by the candidate and kept in their personal file.
- Any exception should be approved by the Line Director concerned, in consultation with the Human Resources Director.

#### **5.1.4 Responsibility**

The Line Managers are responsible for the strategic recruitment process to ensure that current and future objectives and priorities of the Company have been considered prior to embarking on a recruitment drive. They are responsible to ensure that role/job descriptions along with duties, responsibilities and accountabilities have been provided stating the required competencies for the position.

The Human Resource Division is responsible to source, identify and ascertain that the right candidate for the job is recruited in a professional, structured and cost effective method. It is responsible for the recruitment process, methods and tools.

The Human Resource Division shall be responsible to commensurate all offers to prospective employees. Line Managers shall not engage in any communication that may be construed as an offer prior to the issuance of a signed offer letter.

The Line Managers shall ensure that within his jurisdiction, no employee including contract or temporary shall report to a relative, by blood or marriage, who has direct authority over him/her, regarding salary or salary group change, transfer or promotion.

The Line Managers shall ensure that within his jurisdiction, no employee including contract or temporary shall report to a supervisor who in turn reports directly to a supervisor who is a relative of the said employee, and who would have immediate authority over the said employee's salary group change, transfer or promotion.

## **5.2 Implementation of Selection and Recruitment policy**

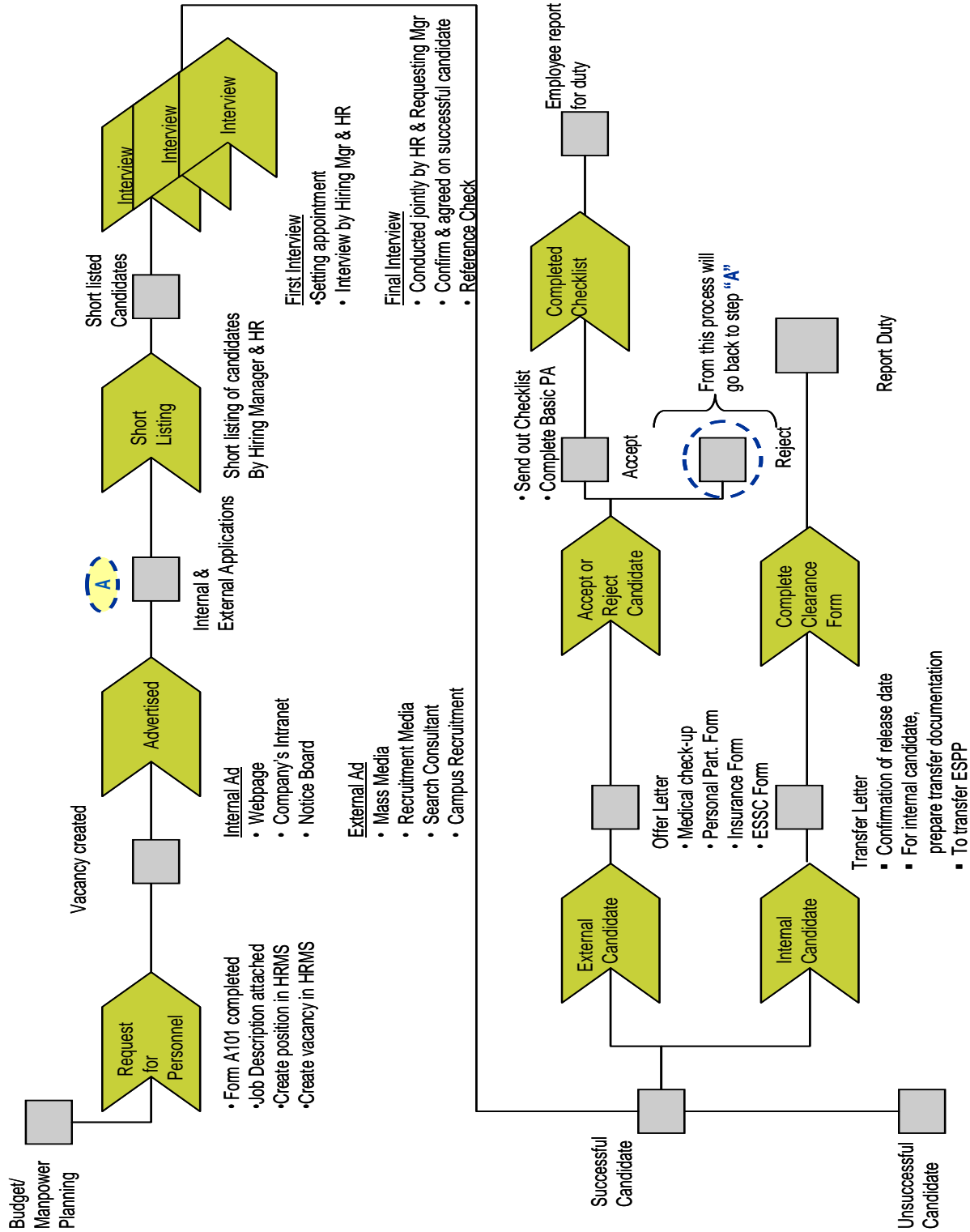
### **5.2.1 Recruitment Plan**

Each department is required to plan their personnel requisition in advance to minimize “as soon as possible” request. All personnel requisition will be expedited by quarter, except due to business exigencies or unusual circumstances. This is to -

1. Reduce administration cost,
2. Enable the Human Resource Office to have a plan of recruitment and to save cost and manpower by sharing activities.
3. Help to lead to a higher rate of vacancies filled from within,
4. Require all departments should have a succession program for all staff in the department.

### **5.2.2 Process flow**

The process flow for recruitment



**Figure: 16**  
**Recruitment & Selection Procedure of Ericsson**

## **6.0 Recommendation**

Ericsson have done a good job in human resource management, especially in selection and recruitment field and the process and procedures can be used as a model. The pitfalls we have identified is minor and can be eliminated with a little effort with the help of the following recommendations.

### **6.1 Recruitment and Selection Process**

#### **6.1.1 Reduction of Response Time and Length of Recruitment & Selection**

Response time does not only lengthen the procedure; rather at the same time reduces the effectiveness of the procedure. The response time currently is more than a month for regular applications. Reduced response time help to gain efficiency and more fit people will join in.

#### **6.1.2 Introduction of Psychometric Tests**

A psychometric test is any standardized procedure for measuring sensitivity or memory or intelligence or aptitude or personality etc. In the West these are mandatory elements of the recruitment and selection process. This gives a better understanding of the psychology, intelligence and analytical ability of the applicants. So this test should be incorporated in the procedure.

#### **6.1.3 Reduction of Referrals**

Though the sample population mostly believes that referral system are making the company take in not so outstanding people as a result of undue influence. But it may in the long run be a big burden for the organization. So I think completely merit based and less referral based recruitment system should be introduced.

#### **6.1.4 Gender Neutral Recruitment**

Most of the women felt that the recruitment system is somewhat gender biased; though many disagree to this opinion. Yet this is a sensitive issue. So the company should take this



into consideration so that any negative image is not created. The recruitment system should be gender neutral.

#### **6.1.5 Prioritizing Important Components of Interviews and Communicating that**

We found out that Aptitude, Attitude, Communication skill, Personal introduction, subject knowledge, Past experience, Decision making ability, Leadership qualities, Personality traits, Problem solving ability are all almost equally important for EBL officials for selection process. I think this lacks focus. The any 3 or 4 of these components should be given more emphasis during the selection procedure in line with the organization's needs and it should be properly communicated to the candidate via media!

#### **6.1.6 Emphasize on Skill Development**

Experience counts. Do allow employees to develop skills rather than jumping around the departments. Especially for employees who have spent more than 2 years doing something should not be moved to another department unless there is urgent need. This also needs careful selection procedure. The background and previous employment history should be checked thoroughly to determine the best suitable job. Currently a candidate is considered only for the position he/she applied for. This approach should be changed.

#### **6.1.7 Broaden source of applicants**

Ericsson should start to advertise in the mass media. Head hunting is good for senior levels, but for entry levels, applications can be collected from a broader range of sources.

#### **6.1.8 Relax requirements**

Ericsson should relax its job requirements a bit, especially for higher level jobs. Experience and extra capabilities which may make the candidate more suitable for the job than others should be considered seriously. This will enable Ericsson to hire people who "will be able to do the job" rather than people "who should be able to do the job".

## 7 Evaluation and Performance Appraisal

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### 7.1.1 Rater's Consistency

While rating the performance the rater or supervisors must make it clear to the employee what they are looking for in their performance. They should also be interactive to give proper suggestion to the employees to better their performance. As the employees put their trust on these people, they should also prove to be worthy and honest enough!

While 48.9% people strongly agreed upon the fact that organizations sets proper supervisor for the performance evaluation, almost 32% stood on the opposite side of the opinion. This scenario has to be changed.

### 7.1.2 Educate employees about how the PA works

Ericsson should start educating its employees about the benefits of the performance appraisal. Especial emphasis should be given on the fact that this system actually considers the organization as a whole and not a consolidated mix of departments.

### 7.1.3 Confidentiality

Some confidentiality is required. Although participative appraisal system is highly recommended, some degree of confidentiality is necessary for management control purpose.

### 7.1.4 Continuous monitoring and feedback system

Continuous monitoring of performance and behavior is necessary. Performance may be measured in quantitative terms at a single point of time but traits and behavioral improvements should be measured over a period of time.

## 8.0 Limitations of the Study

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Due to shortage of resources and accessibility to the uppermost tier, we could not get into the details of training policies and termination issues.

Due to lack of availability of information and tools we had to skip some global standard practices to compare with.

Other limitations included shortage of time, barriers in disclosing required information etc.

## 9.0 Conclusion

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LM Ericsson Bangladesh has lots of opportunities in its business which it can easily tap into in Bangladesh. But to do so, they need to bring in some effective changes in their organizations operations, HR and infrastructure. Reduction of response time and length of recruitment & selection, introduction of psychometric tests, reduction of referrals are very crucial issues for the company right now. It has also been suggested to introduce gender neutral recruitment and prioritizing important components of interviews and communicating that to the employees. Broaden source of applicants and relaxing some requirements can generate a better pool of employees. It is very urgent to bring in consistency in rating of performance evaluation. It is very crucial to educate employees about how the PA works and develop a continuous monitoring and feedback system as well as to emphasize on skill development for long term benefit.

The recruitment process can be bettered in the recommended way. This will ensure that the recruitment process is in line with the organizational goals and values. The performance appraisal process also requires the mentioned changes; employee satisfaction can be increased via employee education, practicing organizational value in every work step and it is a very big responsibility of the top management to ensure an effective monitoring and feedback system.

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